

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH  
Central

FILED IN THE  
UNITED STATES  
BANKRUPTCY COURT  
2006 OCT 11 P 3:09  
DISTRICT OF UTAH  
DEPUTY CLERK

In re:  
EUROGAS, INC.

CASE NO. 04-28075 WTT  
CHAPTER 7

Debtor

**TRUSTEE'S FINAL REPORT AND APPLICATION FOR COMPENSATION  
AND MOTION FOR ORDER APPROVING PAYMENT OF  
ADMINISTRATIVE COSTS AND EXPENSES**

The Trustee of the estate presents the following final report:

1. The Trustee has reduced all assets of this estate to cash or otherwise lawfully disposed of them and the estate is ready to be closed.
2. The Trustee applies for commissions and expenses set forth in Exhibit A (see attached) and states: "That they are reasonable and proper; that in the course of the performance of duties, the Trustee has advanced monies from personal funds for expenses; that the Trustee has not been reimbursed or indemnified; and that there is no agreement or understanding between the Trustee and any other person for a division of the compensation sought by this application, except as permitted by the Bankruptcy Code."
3. The Trustee has reviewed all claims filed in this case and submits Exhibits C and D (attached) as a list of claims and dividends to be paid upon court approval.
4. The Trustee submits Form 1 and 2 as Exhibit E (attached) as a summary of the assets and the disposition of each of these assets. Any property scheduled under 11 U.S.C. §521(1) and not administered shall be deemed abandoned pursuant to 11 U.S.C. §554(c).
5. The Trustee certifies to the Court and the United States Trustee that the Trustee has faithfully and properly fulfilled the duties of the office of the trustee, and that the Trustee has examined all proofs of claim as appropriate under the proposed distribution, and that the proposed distribution, attached hereto, is proper, and consistent with the law and rules of court.
6. The Trustee has given notice to all parties in interest as shown on the mailing matrix of his intent to abandon/destroy records of the estate.

**WHEREFORE**, the Trustee respectfully moves this Court for an order approving Applications for Compensation and Reimbursement of Expenses pursuant to 11 U.S.C. §330(a) and §503(b), pursuant to Rule 3009, Federal Rules of Bankruptcy, authorizing the Trustee to abandon/destroy records of the estate, and determining that the Trustee has complied with all notice and hearing requirements of Section 363 of the Bankruptcy Code to proceed with his final disbursement.

Dated: October 2, 2006

  
JOEL T. MARKER

31K4

**PROPOSED DISTRIBUTION LIST**

In re: EUROGAS, INC.

Bankruptcy Case No.: 04-28075

**APPLICATIONS FOR COMPENSATION AND EXPENSES - CHAPTER 7:**

	PROFESSIONAL'S NAME	TOTAL	PREVIOUSLY PAID	AMOUNT TO DISTRIBUTE
Trustee Fees	JOEL T. MARKER	20,826.50	0.00	20,826.50
Trustee Expenses	JOEL T. MARKER	9,922.91	0.00	9,922.91
Trustee's Attorney Fees	McKAY, BURTON & THURMAN	29,817.50	0.00	29,817.50
Trustee's Accountant Fees	PRICEWATERHOUSECOOPERS	12,592.00	0.00	12,592.00
Trustee's Accountant Expenses	PRICEWATERHOUSECOOPERS	633.47	0.00	633.47

**TOTAL CHAPTER 7 ADMINISTRATIVE EXPENSES TO BE DISTRIBUTED:**

**\$73,792.38**

**SUMMARY OF PROPOSED DISTRIBUTION IN ORDER OF PRIORITY:**

Chapter 7 Administrative Claims (Allowed 73,792.38): \$73,792.38

Previous Chapter Administrative Claims (None) N/A

Priority Claims (All PRIORITY CLAIMS (0.00): N/A

Unsecured Claims (Allowed 114,230,189.74) Paid 0.56%: \$643,251.85

W. Steve Smith	638,418.26
Mark A. Weisbart	988.82
O & F Proinvest AG	1,352.51
Hansen, Barnett & Maxwell	811.98
Internal Revenue Service/Utah	37.03
MB Modus GmbH	1,643.25

I have reviewed the Trustee's Final Report and Proposed Distribution.

Charles F. McVay  
United States Trustee

BY:

Attorney for the United States Trustee

**EXHIBIT A**  
**APPLICATION FOR COMPENSATION & REIMBURSEMENT OF EXPENSES**

In re: EUROGAS, INC.

Case no.: 04-28075

Computation of Compensation for Cases Filed after October 22, 1994

Total Proceeds of Estate	\$	<u>717,044.23</u>		
Less amounts returned to Debtor(s)	(	<u>0.00</u> )		
Balance to be Disbursed		<u>717,044.23</u>	25% of first \$5,000 (\$1,250 maximum)	\$ <u>1,250.00</u>
Less	(	<u>5,000.00</u> )		
Balance		<u>712,044.23</u>	10% of next \$45,000 (\$4,500 maximum)	<u>4,500.00</u>
Less	(	<u>45,000.00</u> )		
Balance		<u>667,044.23</u>	5% of next \$950,000 (\$47,500 maximum)	<u>33,352.21</u>
Less	(	<u>950,000.00</u> )		
Balance	\$	<u>0.00</u>	3% of balance	<u>0.00</u>

MAXIMUM COMPENSATION (11 U.S.C. §326)	\$	<u>39,102.21</u>
COMPENSATION REQUESTED	\$	<u>20,826.50</u>
Less: Court-Approved Compensation Previously Paid	(	<u>0.00</u> )
BALANCE DUE	\$	<u>20,826.50</u>

Trustee Expenses

Premium on Trustee's Bond (Allocation of coverage on blanket bond)	\$	<u>0.00</u>
Photocopies ( <u>5,220.00</u> copies at <u>0.00</u> ¢/copy)	\$	<u>676.52</u>
Postage	\$	<u>1,982.27</u>
Supplies	\$	<u>0.82</u>
Other Expenses	\$	<u>7,263.30</u>
 TOTAL EXPENSES	\$	<u>9,922.91</u>
Less: Court-Approved Expenses Previously Paid	(	<u>0.00</u> )
BALANCE DUE	\$	<u>9,922.91</u>

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## Trustee's Compensation

Debtor: EUROGAS, INC.

Case: 04-28075

### Computation of Compensation

Total disbursements to other than the debtor are: 717,044.23

Pursuant to 11 U.S.C. 326, compensation is computed as follows:

25% of First \$5,000	5,000.00 =	1,250.00
10% of Next \$45,000	45,000.00 =	4,500.00
5% of Next \$950,000	667,044.23 =	33,352.21
3% of Balance	0.00 =	0.00

**Calculated Total Compensation:** **\$39,102.21**

Plus Adjustment: **-18,275.71**

**Total Compensation:** **\$20,826.50**

Less Previously Paid: **0.00**

**Total Compensation Requested:** **\$20,826.50**

### Trustee Expenses

Premium on Trustee's Bond		0.00
Travel	0.0 miles at 0.0 cents per mile	0.00
Copies	5220 copies at 0.0 cents per copy	676.52
Postage		1,982.27
Telephone Charges		0.00
Clerical / Secretarial	0.00 hours at 0.00 dollars per hour	0.00
Paralegal Assistance	0.00 hours at 0.00 dollars per hour	0.00
Supplies / Stationery		0.82
Distribution Expenses		0.00
Professional Expenses		0.00
Other Expenses		7,263.30
Other Expenses 2		0.00

**Subtotal Expenses:** **\$9,922.91**

Plus Adjustment: **0.00**

**Total Expenses:** **\$9,922.91**

Less Previously Paid: **0.00**

**Total Expenses Requested:** **\$9,922.91**

The undersigned Trustee certifies under penalty of perjury that the foregoing is true and correct to the best of his/her knowledge and requests the United States Trustee to approve this report and accounts and requests the Court to provide for notice and opportunity for a hearing under 11 U.S.C. 330(a), 502(b), and 503(b) and to thereafter award final compensation or reimbursement of expenses and to make final allowance for the purposes of distribution to claims, administrative expenses, and other payments stated in this report and account.

WHEREFORE, the Trustee requests that this application be approved by this Court and that the Trustee be granted an allowance of \$20,826.50 as compensation and \$9,922.91 for reimbursement of expenses. The Trustee further states that no payments have been made or promised to him/her for services rendered or to be rendered in any capacity in this case. No agreement or understanding exists between applicant and any other person for sharing compensation received or to be received.

Dated: 09/29/2006

Signed: 

JOEL T. MARKER  
170 South Main Street, #800

Salt Lake City, UT 84101

## Time Sheet Report

Trustee: JOEL T. MARKER (640080)

Period: 01/01/00 - 02/23/07

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Case No: 04-28075		Case Name: EUROGAS, INC.		Petition Date: 05/18/04		
Case Type: Assets		Judge: William T. Thurman		341a Meeting: 11/23/04 02:30PM		
Category	Staff Name	Date	Description	Hours	Rate	Total
Asset Analysis and Recovery	Joel T. Marker, Trustee	11/09/04	Telephone conference Steve Smith regarding Eurogas estate and followup email (.4); review documents provided by Smith on short sales litigation (.5).	0.90	225.000	202.50
		12/27/04	Telephone conference Jim Norman regarding Eurogas assets.	0.30	225.000	67.50
				1.20		\$270.00
Subtotal for Category: ASSET ANALYSIS AND RECOVERY						
Asset Disposition	Joel T. Marker, Trustee	10/27/05	Telephone conference Mark Weisbart regarding undisclosed assets (.2); review file and withdraw no asset report (.5).	0.70	250.000	175.000
		11/07/05	Negotiate sale terms with Weisbart (2.2) and forward to Smith for approval (.1).	2.30	250.000	575.000
		11/28/05	Review and respond to Weisbart and Ramft emails on sale issues.	0.40	250.000	100.000
		12/02/05	Telephone conference Walter Storm regarding sale of assets and notes to file.	0.20	250.000	50.00
		12/19/05	Telephone conference Weisbart regarding sale process.	0.20	250.000	50.00
		12/27/05	Telephone conferences Freeman and Norman regarding sale process.	0.30	250.000	75.000
		01/12/06	Marketing efforts regarding pending sale, including emails to Freeman and Storm and telephone conference Weisbart.	0.80	250.000	200.000
		01/19/06	Log in Storm deposit and notify Weisbart.	0.20	250.000	50.000
		01/20/06	Return call to Mabey and call to Boley regarding auction.	0.60	250.000	150.00
		01/23/06	Review sale status with Finlay.	0.20	250.000	50.00
		01/23/06	Docket receipt of Zimmer deposit and followup calls to Strong, Weisbart & Finlay.	0.70	250.000	175.00
		02/01/06	Telephone conferences Boley, Mabey, Strong and Smith and reset pre and post auction hearings on proposed sale.	1.40	250.000	350.00
		02/02/06	Review Smith proposal, discuss with counsel Rupp and Weisbart and respond.	0.80	250.000	200.00
		02/06/06	Telephone conferences Jarvis (.1) and Finlay (.2) regarding auction process; call to Weisbart regarding deposit (.1) and review and circulate Polish email (.2).	0.60	250.000	150.00
		02/09/06	Attend sale hearing and followup meeting with Consolidated over ruling.	4.60	250.000	1,150.00
		02/12/06	Review and respond to Smith emails regarding sale process.	0.40	250.000	100.00
		02/14/06	Telephone conference Smith and Weisbart to move case ahead.	0.30	250.000	75.00
		02/16/06	Telephone conference Andrackze and provided him update and requested financials on subsidiaries.	0.20	250.000	50.00
		02/21/06	Telephone conferences Mabey (.1) and Weisbart (.2) regarding sale process.	0.30	250.000	75.00
		02/22/06	Efforts to produce marketing plan to comply with Court's order.	1.60	250.000	400.00

## Time Sheet Report

Trustee: JOEL T. MARKER (640080)

Period: 01/01/00 - 02/23/07

Case No: 04-28075		Case Name: EUROGAS, INC.		Petition Date: 05/18/04		
Case Type: Assets		Judge: William T. Thurman		341a Meeting: 11/23/04 02:30PM		
Category	Staff Name	Date	Description	Hours	Rate	Total
Asset Disposition	Joel T. Marker, Trustee	02/23/06	Telephone conference Segal regarding bankruptcy work papers (.1); telephone conference Andraczke regarding status of subsidiaries (.5); call to Mabey regarding Robertz offer (.1).	0.70	250.000	175.00
		02/28/06	Work with WSJ, Lee Snedaker and PLS to advertise auction of affiliates and set continued hearing.	3.70	250.000	925.00
		02/28/06	Provide sale process updates to Mabey (.1) and Boley (.2).	0.30	250.000	75.00
		03/01/06	Review and revise drafts of WSJ and PLS ad copy.	0.80	250.000	200.00
		03/02/06	Confirm ad placements in WSJ and PLS trade journal.	0.30	250.000	75.00
		03/06/06	Telephone conference White and Case attorneys regarding Total interest in assets.	0.60	250.000	150.00
		03/07/06	Telephone conference Finlay regarding status of case.	0.10	250.000	25.00
		03/08/06	Telephone conferences Andraczke (.5) Weisbart (.1) and calls to Smith and Jarvis (.1) regarding sale and auction issues.	0.70	250.000	175.00
		03/09/06	Check WSJ ad and tearsheets.	0.30	250.000	75.00
		03/20/06	Prepare for (.6) and meet with Smith and counsel regarding Rule 59 motion and status of auction (1.1).	1.70	250.000	425.00
		03/21/06	Telephone conference Ginsberg regarding client's decision to not participate in auction.	0.10	250.000	25.00
		03/22/06	Further marketing efforts to encourage participation in auction.	1.30	250.000	325.00
		03/24/06	Begin auction preparation.	1.20	250.000	300.00
		03/24/06	Telephone conference Morgan of Eurenergy regarding auction and conference Andraczke.	0.30	250.000	75.00
		03/27/06	Telephone conferences and meeting with Eurenergy representatives (1.7); telephone conferences Boley (.3) and Mabey (.2) and prepare for auction (1.6).	3.80	250.000	950.00
		03/28/06	Prepare for and conduct auction of interests in affiliates.	6.20	250.000	1,550.00
		03/29/06	Telephone conference Weisbart regarding auction.	0.20	250.000	50.00
		04/04/06	Auction followup with Finlay.	0.20	250.000	50.00
		04/04/06	Review files and letters to Zimmer and Storm to return deposits.	0.50	250.000	125.00
		04/12/06	Review Melzak and Andraczke emails and followup call to Mike Freeman.	0.30	250.000	75.00
		04/13/06	Calls to Zakiewicz .3) and review parties' concerns and draft, revise and serve warning letter requested by Consolidated and Robertz (1.4).	1.70	250.000	425.00
		04/18/06	Confirm Finlay wire and followup with Finlay on closing.	0.60	250.000	150.00
		04/19/06	Telephone conferences Finlay regarding wires and closing issues and review	0.40	250.000	100.00

**Time Sheet Report**

Trustee: JOEL T. MARKER (640080)

Period: 01/01/00 - 02/23/07

Case No: 04-28075		Case Name: EUROGAS, INC.		Petition Date: 05/18/04			
Case Type: Assets		Judge: William T. Thurman		341a Meeting: 11/23/04 02:30PM			
Category	Staff Name	Date	Description	Hours	Rate	Total	
Asset Disposition	Joel T. Marker, Trustee	04/21/06	Freeman email. Telephone conference Finlay (.6) Freeman (.1) and Boley (.1) and work on closing issues (1.1).	1.90	250.000	475.00	
		04/22/06	Review and serve notice regarding control requested by Consolidated.	0.90	250.000	225.00	
		04/24/06	Further closing issues regarding Pol-Tex and Eurogas Polska.	1.50	250.000	375.00	
		04/26/06	Review complaints by Consolidated and confer with Smith and his counsel (.9); review and respond to Polish Oil & Gas Ministry inquiry (.6); and followup with Finlay (.3).	1.80	250.000	450.00	
		04/26/06	Telephone conference Finlay regarding assignments.	0.40	250.000	100.00	
		04/27/06	Email to Finlay regarding assignments.	0.10	250.000	25.00	
		04/27/06	Telephone conference Mabey regarding Sinofirst transaction (.2) and respond to Finlay demand (.2).	0.40	250.000	100.00	
		05/01/06	Meeting with Robertz counsel regarding motion to set aside order (1.6) and followup with counsel for Finlay (.5).	2.10	250.000	525.00	
		05/02/06	Meeting with Finlay's counsel.	1.10	250.000	275.00	
		05/31/06	Check docket and notify Weisbart of lack of objection to notice of abandonment.	0.20	250.000	50.00	
		06/21/06	Review files and respond to Finlay inquiry about Andracke's resignation.	0.40	250.000	100.00	
		06/28/06	Produce documents requested by Consolidated for registration purposes.	0.30	250.000	75.00	
				53.90		\$13,475.00	
				53.90		\$13,475.00	
Subtotal for Category: ASSET DISPOSITION							
Case Administration	Joel T. Marker, Trustee	10/25/04	Telephone conference U.S. Trustee regarding entry of order for relief and review docket and pleadings filed by petitioning creditors and debtor.	1.60	225.000	360.00	
		12/14/04	Review Segal letter and followup message to Smith.	0.20	225.000	45.00	
		12/22/04	Review Smith's 9001 forms and revise and file motion and notice of hearing with notice to parties in interest.	1.30	225.000	292.50	
		01/26/05	Respond to Smith email and draft, revise and file declaration and order on designation motion.	0.80	225.000	180.00	
		02/08/05	Review Segal motion to withdraw (.1) and followup call to Roger (.1).	0.20	225.000	45.00	
		09/10/05	Review and respond to Smith request for status report.	0.20	250.000	50.00	
		10/15/05	Followup email to Smith.	0.10	250.000	25.00	
		10/17/05	Review Smith response (.1) and file NDR (.1).	0.20	250.000	50.00	

**Time Sheet Report**

Trustee: JOEL T. MARKER (640080)

Period: 01/01/00 - 02/23/07

Case No: 04-28075		Case Name: EUROGAS, INC.		Petition Date: 05/18/04		
Case Type: Assets		Judge: William T. Thurman		341a Meeting: 11/23/04 02:30PM		
Category	Staff Name	Date	Description	Hours	Rate	Total
Case Administration	Joel T. Marker, Trustee	12/20/05	Review and execute letter admonishing Rauball and Blankenstein.	0.30	250.000	75.00
		03/03/06	Process invoices for WSJ and PLS advertisements (.6); review emails and attachments from Andraczke (.5) and pursue FX Energy lead (1.2)	2.30	250.000	575.00
		04/03/06	Review Andraczke email snafu with Freeman, Andraczke, Melzak and Mabey.	0.60	250.000	150.00
		05/10/06	Review financial file and reconcile estate accounts.	0.80	250.000	200.00
		05/12/06	Review PWC order and telephone conference Miller regarding accounting issues; followup with Henroid.	0.30	250.000	75.00
		05/12/06	Telephone conference Miller regarding obtaining files from previous accountants and letter to Bob Bowen at Hansen, Barnett and Maxwell.	0.60	250.000	150.00
		05/14/06	Produce files to UST auditors and respond to requests for explanation and clarification regarding administration of the estate.	1.80	250.000	450.00
		05/25/06	Telephone conference Miller regarding books and records.	0.10	250.000	25.00
		06/05/06	Review Hansen, Barnett & Maxwell's letter denying access to documents and outline research and pleadings to compel production of documents.	1.30	250.000	325.00
		06/15/06	Telephone conference accountant (.1); review SEC filings (.6); and respond to Smith email on distribution (.1).	0.80	250.000	200.00
		07/05/06	Inspect Hansen, Barnett & Maxwell accounting records and select for production.	1.30	250.000	325.00
		07/07/06	Telephone conference Avis at Hansen, Barnett & Maxwell regarding document production (.1); review tax returns from prior years and deliver documents to PWC to use in preparing necessary estate returns (1.1).	1.20	250.000	300.00
		07/11/06	Prepare authorization to wire bid deposit back to Falcon.	0.40	250.000	100.00
		07/12/06	Make arrangements for production and copying of accountant's work papers (.3); telephone conference PWC regarding tax returns (.1).	0.40	250.000	100.00
		07/17/06	Review HBM documents and deliver set to accountants.	0.80	250.000	200.00
		08/01/06	Telephone conference Henroid regarding estate tax return and forward Form 2.	0.20	250.000	50.00
		08/09/06	Review PWC estimate on tax project and forward to Smith and Weisbart.	0.30	250.000	75.00
		08/24/06	Telephone conference accountants regarding status of estate tax returns.	0.10	250.000	25.00
		08/24/06	Telephone conference Hawkes at HB&M regarding fees for document production.	0.10	250.000	25.00
		09/06/06	Telephone conference Henroid regarding tax returns.	0.10	250.000	25.00
		09/22/06	Review, sign and file all estate tax returns	1.60	250.000	400.00
		09/29/06	Review file and work on final report.	1.50	250.000	375.00



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**Time Sheet Report**

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Trustee: JOEL T. MARKER (640080)

Period: 01/01/00 - 02/23/07

Case No: 04-28075		Case Name: EUROGAS, INC.		Petition Date: 05/18/04		
Case Type: Assets		Judge: William T. Thurman		341a Meeting: 11/23/04 02:30PM		
Category	Staff Name	Date	Description	Hours	Rate	Total
Case Administration	Joel T. Marker, Trustee	10/30/06	Prepare notice of final report.	0.50	250.000	125.00
		11/30/06	Prepare order approving Trustee's final report.	0.20	250.000	50.00
		12/28/06	Review executed order and sign Court approved dividend checks.	0.20	250.000	50.00
		02/23/07	Review and sign Trustee's supplemental report.	0.20	250.000	50.00
				22.60		\$5,547.50
	Leanne Ruesch	09/15/06	Prepare Trustee's timesheet	1.50	45.000	67.50
		09/22/06	ECF file request for notification of Court fees to USBC.	0.10	45.000	4.50
		09/29/06	Prepare Trustee's distribution worksheet	0.20	45.000	9.00
		09/29/06	Work on Trustee's final report.	1.30	45.000	58.50
		10/30/06	Prepare notice of filing of Trustee's final report and file ECF	0.20	45.000	9.00
		11/30/06	Prepare order approving Trustee's final report.	0.20	45.000	9.00
		02/23/07	Prepare supplemental report.	0.20	45.000	9.00
						3.70
Subtotal for Category: CASE ADMINISTRATION				26.30		\$5,714.00
Claims Administration and Objections	Joel T. Marker, Trustee	11/19/04	Review Weisbart letter (.1) and Smith email and claim (.2).	0.30	225.000	67.50
		07/05/06	Review claims filed (.6) and file claim for MB Modus creditor (.8).	1.40	250.000	350.00
		08/01/06	Review claims and respond to emails from Smith and Weisbart.	0.40	250.000	100.00
						2.10
Subtotal for Category: CLAIMS ADMINISTRATION AND OBJECTIONS				2.10		\$517.50
Fee/Employment Applications	Joel T. Marker, Trustee	04/27/06	Telephone conference Miller regarding employment of PWC as accountants.	0.10	250.000	25.00
		07/05/06	Work on itemization of Trustee time and expenses.	1.10	250.000	275.00
		09/18/06	Revise fee and cost schedules for Trustee's application.	0.80	250.000	200.00
		09/28/06	Review PWC fee application for filing.	0.50	250.000	125.00
				2.50		\$625.00
Subtotal for Category: FEE/EMPLOYMENT APPLICATIONS				2.50		\$625.00

**Time Sheet Report**

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Trustee: JOEL T. MARKER (640080)

Period: 01/01/00 - 02/23/07

Case No: 04-28075		Case Name: EUROGAS, INC.		Petition Date: 05/18/04		
Case Type: Assets		Judge: William T. Thurman		341a Meeting: 11/23/04 02:30PM		
Category	Staff Name	Date	Description	Hours	Rate	Total
Meeting of Creditors	Joel T. Marker, Trustee	11/22/04	Prepare for meeting of creditors.	0.80	225.000	180.00
		11/23/04	Conduct meeting of creditors.	0.10	225.000	22.50
		11/24/04	Respond to Smith email on 341.	0.10	225.000	22.50
				1.00		\$225.00
Subtotal for Category: MEETING OF CREDITORS				1.00		\$225.00
Total for Case: 04-28075				87.00		\$20,826.50
Total for Trustee: JOEL T. MARKER				87.00		\$20,826.50
Grand Total:				87.00		\$20,826.50

**Expense Worksheet****Period: 01/01/00 - 02/23/07****Trustee: JOEL T. MARKER (640080)****Case Number:** 04-28075**Case Name:** EUROGAS, INC.**Case Type:** Assets**Judge:** William T. Thurman**Petition Date:** 05/18/04**341a Meeting:** 11/23/04 14:30**Category: COPIES**

<u>Date</u>	<u>Description</u>	<u>Hours/Unit</u>	<u>Rate</u>	<u>Total</u>
12/22/04	Copies of Trustee's Motion to Designate Individuals and Notice of Hearing	24.00	\$0.200	\$4.80
01/03/06	Copies of Trustee's Motion Approving Sale	56.00	\$0.200	\$11.20
02/02/06	Copies of Trustee's Notice of Continuance	6.00	\$0.200	\$1.20
02/08/06	Copies of exhibits - hearing on Sale Motion	170.00	\$0.200	\$34.00
03/02/06	Copy of Trustee's Notice of Auction Sale and Hearing to U.S. Trustee	2.00	\$0.200	\$0.40
03/03/06	Copies of letter and six court documents sent Federal Express and regular mail	280.00	\$0.200	\$56.00
03/08/06	Copies of documents for Appendix I of Procedures and Disclosures	3,705.00	\$0.085	\$314.93
03/08/06	Sales Tax on \$314.93 for copies of documents	1.00	\$20.790	\$20.79
03/08/06	Copies of bankruptcy forms from Hank Blankenstein	252.00	\$0.200	\$50.40
03/08/06	Procedures and Disclosures, with Appendix I	56.00	\$0.200	\$11.20
03/30/06	Copies of Order Confirming Four-Lot Auction	70.00	\$0.200	\$14.00
04/11/06	Court certified copies of Order Confirming Four-Lot Auction of Debtor's Interests in Certain Affiliates	4.00	\$9.700	\$38.80
05/01/06	Copies of employment pleadings for accountants, PricewaterhouseCoopers	72.00	\$0.200	\$14.40
05/04/06	Copies of Exhibit Summary and exhibits for hearing on May 4, 2006 to fix form of assignment	408.00	\$0.200	\$81.60
09/29/06	Copies of Trustee's final report	114.00	\$0.200	\$22.80
<b>Total for category COPIES:</b>		<b>5,220.00</b>		<b>\$676.52</b>

**Category: OTHER**

<u>Date</u>	<u>Description</u>	<u>Hours/Unit</u>	<u>Rate</u>	<u>Total</u>
03/02/06	Advertising placement in the Wall Street Journal	1.00	\$2,216.000	\$2,216.00
03/03/06	Advertising and marketing services - A&D Transaction Report February 28, 2006; Fax Broadcast March 3, 2006 and Listing of Auction - PLS Data Base	1.00	\$1,000.000	\$1,000.00
03/08/06	Runner service - Procedures and Disclosures, with Appendix I and attachments to Matthew Boley, Ralph Mabey and Annette Jarvis	3.00	\$6.000	\$18.00
03/08/06	Advertising placement PLS Canada Market Update -	1.00	\$250.000	\$250.00

## Expense Worksheet

**Period: 01/01/00 - 02/23/07**

**Trustee: JOEL T. MARKER (640080)**

**Case Number:** 04-28075

**Case Name:** EUROGAS, INC.

**Case Type:** Assets

**Judge:** William T. Thurman

**Petition Date:** 05/18/04

**341a Meeting:** 11/23/04 14:30

**Notice of Auction**

03/08/06	Advertising and Marketing Services Advertisement in PLS Canada	1.00	\$250.000	\$250.00
03/28/06	Depomax Reporting Services, Inc.	1.00	\$400.000	\$400.00
04/11/06	Four certified copies of Order Confirming Four-lot and Exhibit 1 from Court	1.00	\$6.000	\$6.00
07/05/06	Runner service to file proof of claim filed for MB Modus	1.00	\$8.250	\$8.25
07/05/06	Runner service to deliver documents to Consolidated attorney, Matthew Boley, Snell & Wilmer	1.00	\$8.250	\$8.25
07/31/06	Hansen, Barnett & Maxwell charge for organizing and producing accounting and tax records	1.00	\$2,882.050	\$2,882.05
09/21/06	Check to U.S. Tax Commission - 2002 TC-20	1.00	\$100.000	\$100.00
09/22/06	Check to U.S. Tax Commission - 2003 TC-20	1.00	\$100.000	\$100.00
09/28/06	Runner service - PricewaterhouseCooper fee application filed at court	1.00	\$8.250	\$8.25
09/29/06	Runner service - Trustee's report to U.S. Trustee's office	1.00	\$8.250	\$8.25
02/23/07	Runner service - supplemental report to U.S. Trustee's office	1.00	\$8.250	\$8.25

<b>Total for category OTHER:</b>	<b>17.00</b>	<b>\$7,263.30</b>
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**Category: POSTAGE**

<u>Date</u>	<u>Description</u>	<u>Hours/Unit</u>	<u>Rate</u>	<u>Total</u>
12/22/04	Service of Trustee's Motion to Designate Individuals and Notice of Hearing to US Trustee and Debtor's attorney	2.00	\$0.370	\$0.74
01/03/06	Service of Trustee's Motion Approving Sale	6.00	\$0.390	\$2.34
02/02/06	Service of Trustee's Notice of Continuance to U.S. Trustee's Office	1.00	\$0.390	\$0.39
02/02/06	Courier service of Notice of Continuance to Herbert Zimmer, Germany	1.00	\$34.800	\$34.80
03/02/06	Service of Trustee's Notice of Auction Sale and Hearing to U.S. Trustee's Office	1.00	\$0.390	\$0.39
03/03/06	Courier Service via Federal Express of letter and six court documents to creditors in Europe	1.00	\$413.510	\$413.51
03/08/06	Courier service via Federal Express of Procedures	1.00	\$285.850	\$285.85

**Expense Worksheet****Period: 01/01/00 - 02/23/07****Trustee: JOEL T. MARKER (640080)****Case Number:** 04-28075**Case Name:** EUROGAS, INC.**Case Type:** Assets**Judge:** William T. Thurman**Petition Date:** 05/18/04**341a Meeting:** 11/23/04 14:30

	and Disclosures with Appendix 1 and attachments			
03/09/06	Courier service via Federal Express of Procedures and Disclosures, with Appendix I and attachments to Jochen Tietze in Germany	1.00	\$73.240	\$73.24
03/13/06	Courier service via Federal Express of Procedures and Disclosures, with Appendix I and attachments to Robert Pledger, Benchmark Oil & Gas Co.	1.00	\$43.260	\$43.26
03/17/06	Courier service via Federal Express of Procedures and Disclosures, with Appendix I and attachments to Alfred Bach, Investment Counselor	1.00	\$83.520	\$83.52
03/23/06	Courier service via Federal Express of Procedures and Disclosures, with Appendix I and attachments to Ronyld W. Wise, PLS, Inc. Houston, TX	1.00	\$43.260	\$43.26
03/24/06	Courier service via Federal Express of Procedures and Disclosures, with Appendix I and attachments to William Divine, Houston, TX	1.00	\$55.760	\$55.76
04/04/06	Regular mail service of payment to PLS	1.00	\$0.390	\$0.39
04/04/06	Regular mail service of payment of Depomax	1.00	\$0.390	\$0.39
04/04/06	Service via Federal Express of auction deposit to Herbert Zimmer, Germany	1.00	\$34.740	\$34.74
04/04/06	Service via Federal Express of auction deposit to Walter Storm, Germany	1.00	\$34.740	\$34.74
04/24/06	Documents to Danuta Lipien, Attorney, in Poland (\$80.80); Ewa Zalewska, Director, in Poland (\$80.80)	1.00	\$161.600	\$161.60
04/24/06	Sales and Purchase Agreements to David Finlay, Vancouver, Canada	1.00	\$25.790	\$25.79
05/01/06	Service of motion, affidavit and order for employment of accountants	8.00	\$0.630	\$5.04
05/05/06	Service of earnest money check to Michael J. Freeman, Coral Gables, FL	1.00	\$23.310	\$23.31
06/06/06	Certified mail to Preston Eiches r/a for Hansen, Barnett & Maxwell, P.C., 5 Triad Center, Suite 750, SLC, UT	1.00	\$4.640	\$4.64
09/22/06	Service by certified mail of 2002-2006 tax returns to tax entities	1.00	\$652.230	\$652.23
09/29/06	Service of court approved dividend checks	6.00	\$0.390	\$2.34
<b>Total for category POSTAGE:</b>		<b>41.00</b>		<b>\$1,982.27</b>

## Expense Worksheet

**Period: 01/01/00 - 02/23/07**

**Trustee: JOEL T. MARKER (640080)**

**Case Number:** 04-28075

**Case Name:** EUROGAS, INC.

**Case Type:** Assets

**Judge:** William T. Thurman

**Petition Date:** 05/18/04

**341a Meeting:** 11/23/04 14:30

**Category: SUPPLIES**

<u>Date</u>	<u>Description</u>	<u>Hours/Unit</u>	<u>Rate</u>	<u>Total</u>
12/22/04	Envelopes for Trustee's Motion to Designate Individuals	2.00	\$0.040	\$0.08
01/03/06	Envelopes for Trustee's Motion Approving Sale of Debtor's Interest and Notice of Hearing	2.00	\$0.100	\$0.20
02/02/06	Envelope for Trustee's Notice of Continuance	1.00	\$0.100	\$0.10
03/02/06	Trustee's Notice of Auction Sale and Hearing to Confirm Sale	1.00	\$0.040	\$0.04
03/03/06	Letter and six court documents	4.00	\$0.100	\$0.40
<b>Total for category SUPPLIES:</b>		<b>10.00</b>		<b>\$0.82</b>

**Total for case 04-28075: \$9,922.91**

<b>Grand Total:</b>	<b>\$9,922.91</b>
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Joel T. Marker (4372)  
**McKAY, BURTON & THURMAN**  
Attorneys for Joel T. Marker, Trustee  
170 South Main Street, Suite 800  
Salt Lake City, UT 84101  
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Email: [joel@mbt-law.com](mailto:joel@mbt-law.com)

**IN THE UNITED STATES BANKRUPTCY COURT**  
**FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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In re:	:	Bankruptcy No. 04-28075 WTT
		Chapter 7
EUROGAS, INC.,	:	
Debtor.	:	

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**FINAL APPLICATION FOR ALLOWANCE OF  
COMPENSATION BY McKAY, BURTON & THURMAN,  
COUNSEL FOR THE TRUSTEE**

TO THE HONORABLE WILLIAM T. THURMAN, UNITED STATES BANKRUPTCY JUDGE:

The application of McKay, Burton & Thurman respectfully represents as follows:

A. Background.

1. This case was commenced by an involuntary petition for relief under Chapter 7 of the Bankruptcy Code on May 20, 2004 filed by the Estate of McKenzie Energy Corp., U.S. ,Estate of LaPlata Pipeline Co., Estate of Harven Michael McKenzie, Estate of Timothy Stewart McKenzie, and Estate of Steven Darryl McKenzie. Joel T. Marker has been appointed and is serving as the permanent Chapter 7 Trustee.

2. McKay, Burton & Thurman has represented the Trustee since December 5, 2005 pursuant to an order entered December 16, 2005. McKay, Burton & Thurman received no retainer at the time of its entry of appearance in this case on behalf of the Trustee.

3. In this application McKay, Burton & Thurman seeks compensation for services rendered as attorneys for the Trustee during the period December 5, 2005 through September 29, 2006. The firm has not filed any previous fee applications in this case.

4. The following attorneys employed by McKay, Burton & Thurman have rendered services in this case:

a. Joel T. Marker is a 1984 graduate of the University of Utah College of Law and a member of the Utah State Bar. Mr. Marker has specialized in bankruptcy law for 22 years. Mr. Marker's billing rate for the period covered by this application is \$250.00 per hour.

b. Stephen W. Rupp is a 1981 graduate of the University of Utah College of Law and a member of the Utah State Bar. Mr. Rupp has specialized in bankruptcy law for 25 years. Mr. Rupp's billing rate for the period covered by this application is \$235.00 per hour.

c. Jeremy C. Sink is a 2002 graduate of Creighton University College of Law in Omaha, Nebraska and a member of the Utah State Bar. Mr. Sink has specialized in bankruptcy law for over four years. Mr. Sink's billing rate for the period covered by this application is \$135.00 per hour.

B. Case Status.

5. The estate's current cash balance is \$717,044.23, all of which is unencumbered and available to pay administrative expenses.

6. Other than contemporaneous fee applications filed by the Trustee's professionals, the applicant is unaware of any substantial accrued but unpaid Chapter 7 administrative expenses in addition to those described in this application.

7. The Trustee will file a final report within 30 days.

C. Project Summary.

8. During the period for which this application is made McKay, Burton & Thurman has consulted with and advised the Trustee concerning the rights, powers and duties of a



trustee under Chapter 7; has represented the Trustee in all proceedings before this Court; has prepared pleadings, notices and other documents for the Trustee as required by the Court or the applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Rules of this district. In all respects McKay, Burton & Thurman has acted as the Trustee's attorney in this case.

9. During the period for which this application is made McKay, Burton & Thurman has also performed the following services:

a. The firm advised the Trustee and drafted pleadings to authorize the sale of previously undisclosed subsidiaries holding speculative interests in oil and gas fields in Poland.

b. The firm investigated the property rights of foreign subsidiaries and provided due diligence packages to parties interested in bidding on the estate's interest in such subsidiaries.

c. The firm represented the Trustee at hearings on sale related matters (including an attempt by a disgruntled bidder to upset the confirmed sale) and at the auction for the estate's interest in certain undisclosed subsidiaries, which resulted in sale proceeds of \$715,000 to the estate.

d. The firm drafted assignments, releases and other documents necessary to close the sales authorized by the Court.

Attached hereto as Appendix 1 and incorporated by this referenced is a detailed itemization of the services performed by McKay, Burton & Thurman as attorneys for the Trustee during the period December 5, 2005 through September 29, 2006, showing the services rendered, the attorney who performed the service, and the amount of time expended, all in accordance Bankruptcy Code section 330.

D. Summary of Services.

10. The cost of services rendered by the attorneys and staff of McKay, Burton & Thurman is comparable to the cost of like services customarily rendered by attorneys in Salt Lake City, Utah, for similar work performed on behalf of private clients in cases other than cases under the Bankruptcy Code.

11. The following is a summary of the time expended by each employee of McKay, Burton & Thurman, the hourly rate for each individual and the total compensation amount requested for each individual by this application:

<u>Professional</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Extended Amount</u>
Joel T. Marker	102.40	250.00	25,600.00
Stephen W. Rupp	14.50	235.00	3,407.50
Jeremy C. Sink	6.00	135.00	810.00
<b>TOTAL:</b>	<b>122.90</b>		<b>\$29,817.50</b>

12. The undersigned shareholder of McKay, Burton & Thurman hereby certifies that the Trustee has received, reviewed and approved this application.

WHEREFORE, McKay, Burton & Thurman respectfully requests:

1. An order allowing payment of compensation to McKay, Burton & Thurman for actual and necessary services rendered in the amount of \$29,817.50 for the period

December 5, 2005 through September 29, 2006, in accordance with Bankruptcy Code sections 330 and 331; and

2. For such other and further relief as the Court deems appropriate.

DATED this 2<sup>nd</sup> day of October, 2006.

McKAY, BURTON & THURMAN

By:                     /S/                    

Joel T. Marker

Attorneys for Joel T. Marker, Trustee

**Summary of Time and Expenses of the Law Firm of McKay, Burton & Thurman  
December 5, 2005 through September 29, 2006**

In re:		Fees Previously Requested	\$0.00	NAME OF APPLICANT:	McKay, Burton & Thurman
Eurogas, Inc.,	Chapter 7	Fees Previously Awarded	\$0.00	ROLE IN THE CASE:	Attorneys for Trustees
Debtor.	Case No. 04-28075	Expenses Previously Requested	\$0.00		
		Expenses Previously Awarded	\$0.00		
		Retainer Paid	\$0.00	CURRENT APPLICATION	
				Fees Requested	\$29,817.50
				Expenses Requested	\$0.00

**FEE APPLICATION**

NAMES OF PROFESSIONALS/ PARAPROFESSIONALS	YEAR ADMITTED TO PRACTICE	HOURS BILLED		RATE	TOTAL FOR APPLICATION
		CURRENT APPLICATION			

**SHAREHOLDERS**

Joel T. Marker	1984	102.40	\$250.00	\$ 25,600.00
Stephen W. Rupp	1981	14.50	\$235.00	3,407.50
Jeremy C. Sink	2002	6.00	\$135.00	810.00

<b><u>TOTAL</u></b>		122.90		\$29,817.50
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## Time Sheet Report

McKAY, BURTON &amp; THURMAN

Period: 01/01/00 - 02/24/07

Case No: 04T-28075		Case Name: Eurogas		Petition Date: 05/18/04		341a Meeting: 11/23/04 02:30PM	
Case Type: Assets		Judge: William T. Thurman					
Category	Staff Name	Date	Description	Hours	Rate	Total	
Asset Disposition	Joel T. Marker	12/05/05	Review and respond to sale proposal and specific terms.	0.80	250.000	200.00	
		12/07/05	Review Smith 2004 pleadings and calendar dates.	0.20	250.000	50.00	
		12/07/05	Telephone conference Storm regarding sale process.	0.20	250.000	50.00	
		12/15/05	Review revised agreement to sell interest in subsidiaries and outline sale pleading issues.	0.70	250.000	175.00	
		12/23/05	Telephone conference Weisbart regarding sale procedure.	0.20	250.000	50.00	
		12/27/05	Review docket and files and outline and draft motion to sell assets to Consolidated, subject to higher bids.	5.20	250.000	1,300.00	
		12/28/05	Second draft of sale motion.	2.10	250.000	525.00	
		12/28/05	Revise sale motion and forward to Weisbart for comment.	0.80	250.000	200.00	
		12/29/05	Review files and fax to Weisbart and assemble notice list.	0.70	250.000	175.00	
		12/29/05	Telephone conference Freeman regarding bid process.	0.20	250.000	50.00	
		12/31/05	Review Consolidated 60(b) motion and exhibits.	0.60	250.000	150.00	
		12/31/05	Revise sale motion and form of notice.	1.30	250.000	325.00	
		01/03/06	Revise all pleadings and notices, set hearing and coordinate service on parties in interest, including email service of pdfs.	2.60	250.000	650.00	
		01/04/06	Review Smith/Consolidated stipulation and notes to file.	0.20	250.000	50.00	
		01/04/06	Respond to initial inquiries on sale motion and serve Exhibit 1 by email.	0.70	250.000	175.00	
		01/17/06	Return calls and emails to Storm regarding auction.	0.60	250.000	150.00	
		01/17/06	Confirm receipt of Robertz deposit and followup with his counsel on further assurances.	0.40	250.000	100.00	
		01/18/06	Coordinate auction details and calls to Storm and Weisbart, email to Freeman.	0.80	250.000	200.00	
		01/20/06	Review Zimmer letter, attempt to reply and calls to Smith and Weisbart.	0.60	250.000	150.00	
		01/20/06	Telephone conferences Finlay and forward sale pleadings and notice.	0.70	250.000	175.00	
		01/23/06	Review Smith email and objection and telephone conferences Mabey and Freeman regarding sale procedures (1.2); docket receipt of Finlay deposit and verification of financial ability (4).	1.60	250.000	400.00	
		01/24/06	Conference call Smith, Tate & Strong regarding sale objection.	0.70	250.000	175.00	
		01/30/06	Review Andracke letter and followup call to Poland to interview president of subsidiaries.	1.20	250.000	300.00	
		02/02/06	Calendar all sale related dates and draft, revise and serve notice of sale hearing, auction and confirmation hearing.	1.50	250.000	375.00	
		02/03/06	Review and respond to Smith concerns (2); telephone conference Robertz	0.40	250.000	100.00	

**Time Sheet Report****McKAY, BURTON & THURMAN****Period: 01/01/00 - 02/24/07**

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Case No: 04T-28075 Case Type: Assets		Case Name: Eurogas Judge: William T. Thurman		Petition Date: 05/18/04 341a Meeting: 11/23/04 02:30PM			
Category	Staff Name	Date	Description	Hours	Rate	Total	
Asset Disposition	Joel T. Marker	02/07/06	counsel (.1) and call to Jarvis (.1).	3.60	250.000	900.00	
		02/08/06	Telephone conferences Finally (.2) Weisbart (.1) and Inouye (.1) regarding sale hearing; begin trial preparation (3.2)	3.20	250.000	800.00	
		02/09/06	Review objections and docket and prepare reply in support of sale motion.	3.70	250.000	925.00	
		02/23/06	Prepare for sale hearing and forward necessary information to all parties.	0.40	250.000	100.00	
			Telephone conference White and Case attorneys regarding interest in Polska asset.	1.60	250.000	400.00	
		03/01/06	Revise proposed advertisement copy and draft and revise notice of auction and sale confirmation hearing.	0.70	250.000	175.00	
		03/02/06	Telephone conference Hunt (.1) regarding sale hearing and revise, file and serve auction notice and sale hearing (.6).	0.30	250.000	75.00	
		03/03/06	Telephone conference Finlay regarding sale process.	0.50	250.000	125.00	
		03/07/06	Telephone conference McCulliss regarding sale process.	3.40	250.000	850.00	
		03/07/06	Review all files and assemble due diligence/bid package.	5.80	250.000	1,450.00	
		03/08/06	Draft auction disclosures and procedures and forward to all bidders and interested parties.	0.60	250.000	150.00	
		03/08/06	Telephone conferences White and Case attorneys and revise bid package.	0.80	250.000	200.00	
		03/09/06	Review Tietze letter and affidavit and forward disclosures and procedures for auction.	0.40	250.000	100.00	
		03/09/06	Telephone conference Ginsburg and review and responds to document response.	0.90	250.000	225.00	
		03/10/06	Telephone conference Andrackze (.2) and review and respond to Storm inquiry (.7).	0.60	250.000	150.00	
		03/11/06	Review Benchmark inquiry and forward bid disclosure package.	0.70	250.000	175.00	
		03/20/06	Review and respond to Bach inquiry on auction and followup with Bach and Andrackze.	0.80	250.000	200.00	
		03/20/06	Provide support to interested parties and prepare auction materials.	0.40	250.000	100.00	
		03/20/06	Calls to Weisbart and Ginsberg regarding release issue.	1.20	250.000	300.00	
		03/21/06	Telephone conference RWE general manager, research company background and forward due diligence materials.	0.50	250.000	125.00	
		03/22/06	Telephone conferences Weisbart and Boley regarding release issue.	0.80	250.000	200.00	
		03/22/06	Draft, revise and file response to motion to reconsider.	0.60	250.000	150.00	
		03/23/06	Review proposed form of release and conference call Smith and Consolidated				

## Time Sheet Report

McKAY, BURTON &amp; THURMAN

Period: 01/01/00 - 02/24/07

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Case No: 04T-28075 Case Type: Assets		Case Name: Eurogas Judge: William T. Thurman		Petition Date: 05/18/04 341a Meeting: 11/23/04 02:30PM			
Category	Staff Name	Date	Description	Hours	Rate	Total	
Asset Disposition	Joel T. Marker		to settle Rule 59 motion (.5); advise chambers of resolution of contested matter (.1).				
		03/24/06	Telephone conference Finlay regarding release.	0.10	250.000	25.00	
		03/29/06	Review auction notes and draft order confirming sales.	1.40	250.000	350.00	
		03/29/06	Revise draft of order confirming sales (.8) and meeting with Finlay on confirmation hearing (.7).	1.50	250.000	375.00	
		03/30/06	Prepare for (4.7) and present sale confirmation evidence and order (1.7) and followup meeting with Finlay (.8).	7.20	250.000	1,800.00	
		04/10/06	Telephone conferences Boley, Finlay and Zakiewicz (.3); provide wire instructions and draft closing documents (1.8).	2.10	250.000	525.00	
		04/10/06	Further work on closing documents and forward to purchasers.	1.50	250.000	375.00	
		04/11/06	Check docket and request clerk confirmation of no appeal (.6); telephone conference Finlay regarding closing (.2); respond to Freeman (.1) and draft form of bill of sale (.5).	1.40	250.000	350.00	
		04/11/06	Followup with court clerk on lack of appeal and confirming email to Freeman.	0.50	250.000	125.00	
		04/12/06	Telephone conference Finlay regarding obligation to close.	0.20	250.000	50.00	
		04/13/06	Telephone conferences Boley (.2) and Finlay (.1) and further closing matters (.6).	0.90	250.000	225.00	
		04/17/06	Work on revisions to transfer documents requested by Consolidated.	1.60	250.000	400.00	
		04/18/06	Complete closing documents requested by Consolidated.	1.10	250.000	275.00	
		04/18/06	Telephone conference Finlay and forward proposed forms of assignments.	0.40	250.000	100.00	
		04/20/06	Draft Sinofirst assignments and releases and forward to Finlay for review.	2.80	250.000	700.00	
		04/20/06	Call to Finlay regarding documents.	0.40	250.000	100.00	
		04/29/06	Review Robertz pleadings to set aside sale to Sinofirst, note concerns and telephone conference Finlay regarding need to respond (.8); forward pleadings to parties in interest and contact Penrod Keith regarding hearing (.3); schedule dates (.1).	1.20	250.000	300.00	
		05/02/06	Prepare for deposition and May 4th hearings.	2.10	250.000	525.00	
		05/03/06	Prepare for and attend deposition of David Finlay and review documents for hearing.	3.80	250.000	950.00	
		05/04/06	Prepare for (3.5) and attend hearing on motions by Robertz and Sinofirst (5.8).	9.40	250.000	2,350.00	
		05/05/06	Meeting with Finlay and complete and deliver transfer documents.	1.20	250.000	300.00	
		05/08/06	Telephone conference Boley regarding Sinofirst closing (.1); draft and file order	0.80	250.000	200.00	

## Time Sheet Report

McKAY, BURTON &amp; THURMAN

Period: 01/01/00 - 02/24/07

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Case No: 04T-28075		Case Name: Eurogas		Petition Date: 05/18/04		
Case Type: Assets		Judge: William T. Thurman		341a Meeting: 11/23/04 02:30PM		
Category	Staff Name	Date	Description	Hours	Rate	Total
Asset Disposition	Joel T. Marker	05/08/06	denying Sinofirst motion to fix assignment (.7).	0.70	250.000	175.00
			Review Weisbart request and draft, revise and file notice of abandonment on litigation files.			
		05/16/06	Telephone conference Finlay and letter to Polish Oil and Gas Ministry.	0.40	250.000	100.00
	Stephen W. Rupp	02/01/06	Meeting with Trustee, discuss background of case, prepare for sale hearing on February 9th.	99.20		\$24,800.00
				1.50	235.000	352.50
		02/07/06	Review case, prepare notes for sale hearing.	1.20	235.000	282.00
		02/08/06	Prepare for sale hearing.	1.00	235.000	235.00
		02/09/06	Prepare for and attend sale hearing; evidence presented.	4.60	235.000	1,081.00
		03/28/06	Prepare for and attend auction; prepare notes.	6.20	235.000	1,457.00
				14.50		\$3,407.50
Subtotal for Category: ASSET DISPOSITION				113.70	\$28,207.50	
Claims Administration and Objections	Jeremy C. Sink	06/05/06	Research and begin draft of 2004 exam of accountant.	2.10	135.000	283.50
		06/06/06	Finished subpoena of ex parte 2004 motion filed and served.	1.50	135.000	202.50
		06/08/06	Telephone conference Cass Butler regarding subpoena.	0.10	135.000	13.50
		06/12/06	Telephone conference Cass Butler regarding subpoena; telephone conference Trustee regarding 67 boxes of documents.	0.20	135.000	27.00
		06/20/06	Telephone conference Cass Butler and Henroid regarding examining documents in storage.	0.20	135.000	27.00
		06/22/06	Telephone conference Cass Butler regarding examining documents.	0.10	135.000	13.50
		06/27/06	Telephone conference Cass Butler and Henroid; finalized time to review documents.	0.20	135.000	27.00
		07/05/06	Review accounting records for tax files and claim information.	1.30	135.000	175.50
		07/07/06	Received tax returns and forwarded to Joel Marker.	0.10	135.000	13.50
		08/02/06	Telephone conference Cass Butler regarding document from accounting.	0.10	135.000	13.50
		08/03/06	Telephone conference Jackie Henroid; needs additional documents from Butler.	0.10	135.000	13.50
				6.00		\$810.00



# Time Sheet Report

**McKAY, BURTON & THURMAN**

Period: 01/01/00 - 02/24/07

Case No: 04T-28075

Case Name: Eurogas

Petition Date: 05/18/04

Judge: William T. Thurman

341a Meeting: 11/23/04 02:30PM

Case Type: Assets

Category	Staff Name	Date	Description	Hours	Rate	Total
Subtotal for Category: CLAIMS ADMINISTRATION AND OBJECTIONS						
Fee/Employment Applications	Joel T. Marker	12/02/05	Draft and revise attorney employment pleadings.	6.00		\$810.00
				0.60	250.000	150.00
		05/01/06	Review Miller affidavit of disinterestedness and draft employment pleadings for accountants.	0.70	250.000	175.00
		09/29/06	Prepare time entries (.8) and draft attorney fee application (1.1).	1.90	250.000	475.00
				3.20		\$800.00
Subtotal for Category: FEE/EMPLOYMENT APPLICATIONS						
				3.20		\$800.00
Total for Case: 04T-28075						
				122.90		\$29,817.50
				122.90		\$29,817.50
Grand Total:						
				122.90		\$29,817.50

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF UTAH  
CENTRAL DIVISION

In re:	)	First and Final Application for
	)	Compensation for
	)	Accountant to the Trustee
Eurogas, Inc.	)	Bankruptcy No. 04T-28075
	)	
	)	
	)	(Chapter 7)
Debtor.	)	

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FIRST AND FINAL APPLICATION OF TRUSTEE'S ACCOUNTANT  
FOR ALLOWANCE OF COMPENSATION  
AS AN ADMINISTRATIVE EXPENSE

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TO: THE HONORABLE JUDGE WILLIAM T. THURMAN, UNITED STATES  
BANKRUPTCY JUDGE:

The application of PricewaterhouseCoopers L.L.P. ("Applicant"), Accountants for the Trustee of the above referenced estate, respectfully represents:

1. On the 18th day of May 2004, the above referenced debtors filed an involuntary Chapter 7 proceeding and Mr. Joel T. Marker was appointed as Trustee.
2. Pursuant to an Application with the Court dated April 28, 2006, your Applicant was employed as the Accountant for the Trustee of the estate of the above named debtor.
3. Pursuant to 11 U.S.C. § 328, Applicant makes this application for an allowance for reasonable compensation for services rendered by Applicant in this proceeding from April 28, 2006, through and including September 25, 2006.
4. All services for which Applicant seeks compensation were performed for and on behalf of said bankruptcy estate and not on behalf of any other estate or individual creditor or other person, and no agreement or understanding exists between Applicant and any other persons for division of compensation.

### **SUMMARY OF SERVICES RENDERED**

5. Applicant has rendered professional services to the Trustee, including the following:

a. **ASSET ANALYSIS** - Business records of the prior accountants were reviewed in detail to identify possible assets of the company which were unknown to the Trustee.

b. **ACCOUNTING** - Applicant has accumulated accounting data for calendar year 2002, 2003, 2004, 2005 and 2006. This data was coded, compiled and summarized in order to produce the information necessary to prepare and file all obligatory tax filings for the estate to maintain compliance with applicable federal tax laws.

c. **TAX ISSUES** - Prepared and filed Federal Form 1120, "U.S. Corporation Income Tax Return", and State of Utah Form TC-20, "Utah Corporation Franchise or Income Tax Return", and Nine Forms 5471, "Information Return of U.S. Persons With Respect to Certain Foreign Corporations" along with all accompanying forms and schedules for the years 2002, 2003, 2004, 2005 and 2006 for Eurogas, Inc. Prepared and filed requests for a determination of tax pursuant to 11 U.S.C. §505(b) for 2002, 2003, 2004, 2005 and 2006 for the federal and state taxing authorities.

### **FUTURE SERVICE**

6. PricewaterhouseCoopers continues to provide ongoing accounting services as directed by the trustee. Future services to be performed will consist of preparation of Forms 1099, dealing with tax questions, and answering questions of the debtor. An amount of \$300.00 has been included in this first and final fee application to pre-pay for these services.

### **COMPENSATION PAID AND/OR PROMISED AND ITS SOURCE**

7. Your Applicant has received no payment and no promise for payment from any other source for services rendered or to be rendered in any capacity in connection with this case.

8. There is no agreement or understanding between your Applicant and any other person for the sharing of the compensation to be received for the services rendered in this case.

### **PERSONNEL**

9. The following PricewaterhouseCoopers personnel billed time in this application. Total time billed by each person by project is included in Exhibit A.

<u>Personnel</u>	<u>Hourly Rate</u>
Scott Pickett	\$270
Gil Miller	225
Stanley Vandertoolen	225
Darin Dallimore	180
Kesli Jensen	160
Jacquelyn Henroid	115

### **DISBURSEMENTS**

10. Your Applicant has been required to spend \$633.47 as Accountant for the Trustee for the period April 28, 2006, through September 25, 2006, for copying documents, travel expenses, and for other actual and necessary expenses as outlined in detail on the itemizations of actual expenses attached hereto (Exhibit A). Accordingly, the disbursements as Accountant for the Trustee for the period April 28, 2006, through September 25, 2006 are \$633.47.

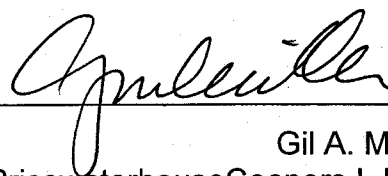
### EVALUATION OF SERVICES

11. For the period April 28, 2006, through September 25, 2006, your Applicant has rendered services valued at \$12,292.00 as Accountant for the Trustee in connection with the above matters. This amount is based on services having been performed by various members of your Applicant's accounting firm and are itemized in detail on the attached time summary (Exhibit A). Services have been rendered at the reasonable rates identified in the attached time summary. Such rates are comparable to those charged by other accounting firms for comparable accounting services in the Salt Lake City, Utah accounting community for the time period indicated herein.

12. In addition, the trustee has asked your Applicant to prepare Forms 1099, respond to notices from the taxing authorities, and resolve issues with the same. Based on previous experience, your Applicant will render services valued at \$300.00 to respond to notices from the taxing authorities and resolve issues with the same.

WHEREFORE, your Applicant prays that it be awarded and paid the sum of \$12,592.00 for compensation for professional accounting services and \$633.47 reimbursement of expenses incurred by your Applicant as accountant in this case for a total amount of \$13,225.47 for the period April 28, 2006, through September 25, 2006. Your Applicant also requests payment of said approved fees and expenses.

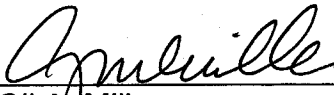
DATED this 28<sup>th</sup> day of September, 2006.

  
\_\_\_\_\_  
Gil A. Miller  
PricewaterhouseCoopers L.L.P.  
Accountants for the Trustee

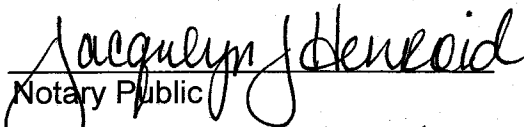
**VERIFICATION**

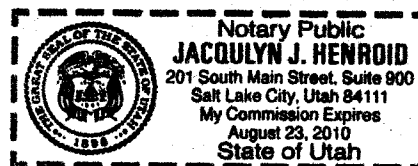
STATE OF UTAH     )  
                              : ss.  
County of Salt Lake    )

Gil A. Miller, being first duly sworn, says that he is a member of the accounting firm of PricewaterhouseCoopers L.L.P. The Applicant named in the foregoing First and Final Fee Application for Compensation for Accountant to the Trustee, that he has read the foregoing Application and knows the contents thereof, and that the same is true to his own knowledge.

  
\_\_\_\_\_  
Gil A. Miller

SUBSCRIBED AND SWORN to before me this 28<sup>th</sup> day of September, 2006.

  
\_\_\_\_\_  
Notary Public



**EXHIBIT A**

**Eurogas, Inc.**

**Summary of Professional Services Rendered by PricewaterhouseCoopers  
For the Period April 28, 2006 - September 25, 2006**

<u>Project</u>	<u>Hours</u>	<u>Amount</u>	<u>Expenses</u>	<u>Future Fees</u>	<u>Total</u>
Asset Analysis	9.60	\$1,137.00	\$0.00	\$0.00	\$1,137.00
Case Administration	6.30	823.50	0.00	0.00	823.50
Fee / Employment	7.90	1,062.50	0.00	0.00	1,062.50
Tax Issues	<u>65.8</u>	<u>9,269.00</u>	<u>633.47</u>	<u>300.00</u>	<u>10,202.47</u>
<b>TOTAL</b>	<u>89.6</u>	<u>\$12,292.00</u>	<u>\$633.47</u>	<u>\$300.00</u>	<u>\$13,225.47</u>

**Billing Per Person:**

	<u>Hours</u>	<u>Amount</u>
Scott Pickett	3.9	\$1,053.00
Gil Miller	2.2	495.00
Stan VanderToolen	9.4	2,115.00
Darin Dallimore	0.2	36.00
Kesli Jensen	2.1	336.00
Jacquelyn Henroid	<u>71.8</u>	<u>8,257.00</u>
<b>Total</b>	<u>89.6</u>	<u>\$12,292.00</u>

Blended rate per hour: \$137.19

**Eurogas, Inc.**

**Billing Recap  
April 28, 2006 - September 25, 2006**

**Project: Asset Analysis and Recovery**

Review case documents for potential  
additional assets.

<b>Name</b>	<b>Classification</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
Gil Miller	Director	\$225	0.30	67.50
Jackie Henroid	Paraprofessional	115	<u>9.30</u>	<u>1,069.50</u>
	Total Professional Fees		<u>9.60</u>	<u>1,137.00</u>
Expenses:				
	Photocopies (0 @ .15)	0.00		
	Pacer charges	<u>0.00</u>		
	Total Expenses			<u>0.00</u>
	Total Fees & Expenses			<u>\$1,137.00</u>



**Eurogas, Inc.**  
**April 28, 2006 - September 25, 2006**  
**Asset Analysis**

Work Date	First Name	Last Name	Staff Class	Hours Amount	Description of Hours
05/17/06	Jackie	Henroid	Paraprofessional	0.2	Forward document request to S. Avis of Hansen, Barnett & Maxwell.
06/01/06	Gil	Miller	Managing Director	0.3	Various attempts at contacting former accountants by phone and email (.2). Discuss same with J. Henroid (.1).
06/01/06	Jackie	Henroid	Paraprofessional	0.2	Review email to prior accountants (.1). Discuss status of records request with G. Miller (.1).
06/06/06	Jackie	Henroid	Paraprofessional	0.3	Review voice mail from J. Sink (.1). Telephone call with J. Sink regarding case matters related to document request (.2).
06/15/06	Jackie	Henroid	Paraprofessional	0.2	Review status regarding requests for examination of case documents.
06/27/06	Jackie	Henroid	Paraprofessional	0.2	Telephone call with J. Sink regarding meeting to review case documents (.1). Memo to file regarding same (.1).
07/05/06	Jackie	Henroid	Paraprofessional	1.6	Prepare for and meet with J. Sink and J. Marker to review case documents of debtor at storage facility.
07/12/06	Jackie	Henroid	Paraprofessional	1.1	Initial review of company assets and other investments on the books of company.
08/01/06	Jackie	Henroid	Paraprofessional	3.2	Review case documents received from prior accountant for possible assets unknown to the Trustee.
08/02/06	Jackie	Henroid	Paraprofessional	2.3	Review additional case documents for additional assets.
<b>Total</b>				<b>9.6</b>	

**Eurogas, Inc.**

**Billing Recap  
April 28, 2006 - September 25, 2006**

**Project: Case Administration**

Coordination and compliance activities.

<b>Name</b>	<b>Classification</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
Gil Miller	Director	\$225	0.90	202.50
Jackie Henroid	Paraprofessional	115	<u>5.40</u>	<u>621.00</u>
	Total Professional Fees		<u>6.30</u>	<u>823.50</u>
Expenses:				
	Photocopies (0 @ .15)	0.00		
	Pacer charges	<u>0.00</u>		
	Total Expenses			<u>0.00</u>
	Total Fees & Expenses			<u>\$823.50</u>

**Eurogas, Inc.**  
**April 28, 2006 - September 25, 2006**  
**Case Administration**

Work Date	First Name	Last Name	Staff Class	Hours Amount	Description of Hours
04/28/06	Gil	Miller	Managing Director	0.2	Discussion with J. Henroid regarding new case.
04/28/06	Jackie	Henroid	Paraprofessional	0.3	Meeting with G. Miller regarding new case issues (.2). Memo to file regarding same (.1).
05/10/06	Jackie	Henroid	Paraprofessional	1.1	Telephone calls to clear relationship check (.3). Email and additional phone calls to clear conflicts (.8).
05/11/06	Jackie	Henroid	Paraprofessional	1.2	Additional research to clear relationship check (.8). Review correspondence related to relationship check (.4).
05/12/06	Gil	Miller	Managing Director	0.6	Various discussions with J. Henroid to clear relationship checks.
05/12/06	Jackie	Henroid	Paraprofessional	1.5	Search SEC filings for additional information (.7). Memo to file regarding same (.2). Discussion G. Miller regarding relationship check (.4). Final discussion with G. Miller to clear check (.2).
05/17/06	Gil	Miller	Managing Director	0.1	Discuss status of case and documents request with J. Henroid.
05/17/06	Jackie	Henroid	Paraprofessional	0.5	Telephone call to obtain case information (.2). Review case documents on Pacer related to employment (.2). Discuss case status with G. Miller (.1).
05/24/06	Jackie	Henroid	Paraprofessional	0.2	Update case files.
05/25/06	Jackie	Henroid	Paraprofessional	0.3	Update case status.
06/28/06	Jackie	Henroid	Paraprofessional	0.1	Update case files.
08/16/06	Jackie	Henroid	Paraprofessional	0.1	Telephone call to J. Marker to provide case update.
09/06/06	Jackie	Henroid	Paraprofessional	0.1	Telephone call to J. Marker to update case status.
<b>Total</b>				<b>6.3</b>	

**Eurogas, Inc.**

**Billing Recap  
April 28, 2006 - September 25, 2006**

**Project: Fee / Employment Applications**

Preparation of employment and fee applications.

<b>Name</b>	<b>Classification</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
Gil Miller	Director	\$225	1.00	225.00
Stan VanderToolen	Director	225	0.40	90.00
Jackie Henroid	Paraprofessional	115	<u>6.50</u>	<u>747.50</u>
	Total Professional Fees		<u>7.90</u>	<u>1,062.50</u>
Expenses:				
	Photocopies (0 @ .15)	0.00		
	Pacer charges	<u>0.00</u>		
	Total Expenses			<u>0.00</u>
	Total Fees & Expenses			<u>\$1,062.50</u>

**Eurogas, Inc.**  
**April 28, 2006 - September 25, 2006**  
**Fee / Employment Applications**

Work Date	First Name	Last Name	Staff Class	Hours Amount	Description of Hours
04/28/06	Gil	Miller	Managing Director	0.2	Review and sign affidavit for employment.
04/28/06	Jackie	Henroid	Paraprofessional	0.7	Preparation of affidavit for employment (.3). Present affidavit for director's signature (.2). Sign and notarize same (.1). Update case files (.1).
08/04/06	Gil	Miller	Managing Director	0.3	Discussions with J. Henroid regarding estimated billing and time requirements for tax preparation.
08/04/06	Stan	Vandertoolen	Managing Director	0.4	Meeting with J. Henroid to review estimated billing and time frame to complete project.
08/04/06	Jackie	Henroid	Paraprofessional	2.9	Preparation of estimated billing and memo to J. Marker including meetings with G. Miller and S. Vandertoolen (2.7). Discuss final draft with S. Vandertoolen (.2).
09/25/06	Jackie	Henroid	Paraprofessional	1.4	Review time charges and descriptions for fee application preparation.
09/25/06	Jackie	Henroid	Paraprofessional	0.9	Preparation of first and final fee application.
09/25/06	Gil	Miller	Managing Director	0.3	Review fee applications and indicate changes to be made.
09/25/06	Jackie	Henroid	Paraprofessional	0.2	Changes to fee application per review notes.
09/25/06	Gil	Miller	Managing Director	0.2	Final review and sign first and final fee application.
09/25/06	Jackie	Henroid	Paraprofessional	0.4	Sign and notarize fee application (.1). Prepare same to forward to Trustee for filing (.2). Update case status (.1).
<b>Total</b>				<b>7.9</b>	

**Eurogas, Inc.**

**Billing Recap  
April 28, 2006 - September 25, 2006**

**Project: Tax issues**

Analysis of tax issues and preparation  
of Federal and State of Utah tax returns.

<b>Name</b>	<b>Classification</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
Scott Pickett	Partner	\$270	3.90	\$1,053.00
Stan VanderToolen	Director	225	9.00	2,025.00
Darin Dallimore	Sr. Associate	180	0.20	36.00
Kesli Jensen	Associate	160	2.10	336.00
Jackie Henroid	Paraprofessional	115	<u>50.60</u>	<u>5,819.00</u>
Total Professional Fees			<u>65.80</u>	<u>9,269.00</u>

Expenses:

Photocopies (4,141 @ .15) 621.15

Pacer charges 12.32

Total Expenses 633.47

Total Fees & Expenses \$9,902.47

Future Fees \$300.00

Final Total \$10,202.47

**Eurogas, Inc.**  
**April 28, 2006 - September 25, 2006**  
**Tax Issues**

Work Date	First Name	Last Name	Staff Class	Hours Amount	Description of Hours
05/23/06	Jackie	Henroid	Paraprofessional	0.2	Voice mail message to prior accountant to obtain records.
06/16/06	Jackie	Henroid	Paraprofessional	0.2	Telephone conference with Trustee related to request for tax returns (.1). Voice mail message to IRS to request information of filed returns (.1).
06/19/06	Jackie	Henroid	Paraprofessional	0.4	Telephone call with IRS agent regarding request for tax information (.1). Memo to file regarding same (.1). Voice mail message to Trustee for case update (.1). Update case files (.1).
07/12/06	Jackie	Henroid	Paraprofessional	0.6	Retrieve tax documents from diskette provided by prior accountants (.3). Telephone conference with J. Marker regarding same (.2). Memo to file (.1).
08/02/06	Jackie	Henroid	Paraprofessional	0.5	Prepare for and meet with S. Vandertoolen regarding tax preparation.
08/02/06	Stan	Vandertoolen	Managing Director	0.5	Discussion with J. Henroid regarding corporation tax and Forms 5471 preparation.
08/03/06	Stan	Vandertoolen	Managing Director	0.2	Additional discussion with J. Henroid regarding required documentation for tax preparation.
08/03/06	Jackie	Henroid	Paraprofessional	2.7	Additional review of prior year tax returns and work papers (1.4). Preparation of tax return binders (1.1). Additional meeting regarding tax preparation with S. Vandertoolen (.2).
08/04/06	Jackie	Henroid	Paraprofessional	0.4	Telephone calls to counsel of prior accountant to request additional tax information.
08/16/06	Jackie	Henroid	Paraprofessional	0.3	Telephone conferences with prior accountants office regarding request for additional information.
08/17/06	Jackie	Henroid	Paraprofessional	3.8	Initial preparation of 2002 Federal returns including nine Forms 5471.
08/18/06	Jackie	Henroid	Paraprofessional	2.2	Finalize preparation of 2002 Federal and State returns and forward for initial review.
08/22/06	Kesli	Jensen	Associate	0.3	Meeting with J. Henroid to discuss review of initial returns.
08/22/06	Jackie	Henroid	Paraprofessional	0.9	Update and index case binders (.6). Discuss review of 2002 returns with K. Jensen (.3).
08/23/06	Kesli	Jensen	Associate	1.8	Review Federal and State of Utah returns for 2002 for accuracy and consistency with prior year returns filed with the Internal Revenue Service (1.6). Discuss changes and issues with J. Henroid (.2).

**Eurogas, Inc.**  
**April 28, 2006 - September 25, 2006**  
**Tax Issues**

Work Date	First Name	Last Name	Staff Class	Hours Amount	Description of Hours
08/23/06	Jackie	Henroid	Paraprofessional	2.1	Discuss review notes with K. Jensen (.2). Preparation of disclosure statements to accompany the Form 5471 filings (.4). Initial preparation of disclosure statements to accompany the 2002 and 2003 no activity returns (.7). Preparation of supplemental schedules to include with 5471 (.8).
08/23/06	Jackie	Henroid	Paraprofessional	4.3	Preparation of working trial balance for 2002 (.5). Preparation of working trial balance for 2003 (.2). Finalize changes to 2002 Federal and State of Utah returns (2.4). Preparation of 2003 Federal and State of Utah returns for review (1.2).
08/24/06	Jackie	Henroid	Paraprofessional	0.8	Initial preparation of additional work papers for tax return preparation (.7). Telephone call to J. Marker to update status of 2002 and 2003 returns (.1).
08/30/06	Jackie	Henroid	Paraprofessional	1.4	Preparation of working trial balance for 2004 and 2005 tax returns (.6). Initial preparation of journal entries for 2006 (.4). Update trial balances regarding same (.3). Update case files (.1).
09/05/06	Jackie	Henroid	Paraprofessional	1.3	Changes to 2002 returns per review notes (.7). Changes to disclosure statements for 2002 and 2003 (.6).
09/05/06	Stan	Vandertoolen	Managing Director	0.5	Meeting with J. Marker to discuss tax issues.
09/05/06	Stan	Vandertoolen	Managing Director	1.5	Initial review of 2002 & 2003 corporate tax returns including Forms 5471.
09/06/06	Stan	Vandertoolen	Managing Director	0.5	Discuss review notes and 5471 issues with J. Henroid.
09/06/06	Jackie	Henroid	Paraprofessional	3.7	Meeting with S. Vandertoolen to discuss review notes and future year tax returns (.5). Additional changes to 2002 returns per discussion (1.3). Additional changes to 2003 returns per discussion (1.1). Changes to 2002 and 2003 disclosure statements (.8)
09/06/06	Jackie	Henroid	Paraprofessional	3.4	Prepare changes to working trial balance for 2004 (.9). Preparation of 2004 Federal and State of Utah returns (1.8). Prepare 2004 disclosures and related schedules (.7).
09/06/06	Jackie	Henroid	Paraprofessional	2.9	Prepare changes to working trial balance for 2005 (.2). Preparation of 2005 Federal and State of Utah returns (1.8). Prepare 2004 disclosures and related schedules (.6). Preparation of schedules to accompany State of Utah returns (.3).



**Eurogas, Inc.**  
**April 28, 2006 - September 25, 2006**  
**Tax Issues**

Work Date	First Name	Last Name	Staff Class	Hours Amount	Description of Hours
09/07/06	Stan	Vandertoolen	Managing Director	3.2	Review Federal and state returns including Forms 5471 (9) for tax years 2002-2005.
09/07/06	Darin	Dallimore	Sr. Associate	0.2	Discuss State of Utah tax requirements with J. Henroid.
09/07/06	Jackie	Henroid	Paraprofessional	0.9	Review State of Utah tax requirements (.5). Discuss same with D. Dallimore (.2). Change to 2002 and 2003 Federal returns (.2).
09/11/06	Scott	Pickett	Partner	2.1	Partner review and sign 2001, 2002, 2003 and 2004 returns (1.9). Discuss review notes with J. Henroid (.2).
09/11/06	Jackie	Henroid	Paraprofessional	1.5	Discussion regarding review notes with S. Pickett (.2). Changes to 2004 returns per review notes (.7). Changes to 2005 returns per review notes (.6).
09/12/06	Jackie	Henroid	Paraprofessional	1.7	Preparation of 505(b) letters for 2002 (.3). Final preparation of 2002 Federal and State of Utah returns including Forms 5471 (9) for filing with taxing authorities (1.4).
09/12/06	Jackie	Henroid	Paraprofessional	1.5	Preparation of 505(b) letters for 2003 (.2). Final preparation of 2003 Federal and State of Utah returns including Forms 5471 (9) for filing with taxing authorities (1.3).
09/12/06	Jackie	Henroid	Paraprofessional	1.6	Preparation of 505(b) letters for 2004 (.2). Final preparation of 2002 Federal and State of Utah returns including Forms 5471 (9) for filing with taxing authorities (1.3). Update case files (.1).
09/12/06	Jackie	Henroid	Paraprofessional	1.5	Preparation of 505(b) letters for 2005 (.2). Final preparation of 2005 Federal and State of Utah returns including Forms 5471 (9) for filing with taxing authorities (1.3).
09/13/06	Jackie	Henroid	Paraprofessional	5.9	Update case status (.1). Preparation of work papers for 2006 Final returns (1.4). Preparation of 2006 Federal and State of Utah returns including Forms 5471 (3.6). Changes to 2006 disclosures (.8).
09/14/06	Stan	Vandertoolen	Managing Director	2.6	Review 2006 Federal and State of Utah returns including 5471's.
09/14/06	Jackie	Henroid	Paraprofessional	1.2	Changes to 2006 returns per initial review.
09/15/06	Jackie	Henroid	Paraprofessional	0.2	Update case files.
09/20/06	Scott	Pickett	Partner	1.8	Partner review and sign 2006 returns.
09/20/06	Jackie	Henroid	Paraprofessional	1.2	Final preparation of 2006 Federal and State of Utah returns for filing with taxing authorities.

**Eurogas, Inc.**  
**April 28, 2006 - September 25, 2006**  
**Tax Issues**

Work Date	First Name	Last Name	Staff Class	Hours Amount	Description of Hours
09/21/06	Jackie	Henroid	Paraprofessional	1.3	Finalize preparation of 2006 returns for filing (.7). Present and discuss tax returns with Trustee (.6).
<b>Total</b>				<b>65.8</b>	

**EXHIBIT B**  
**EXPENSES OF ADMINISTRATION (Chapter 7)**

In re: EUROGAS, INC.

Case no.: 04-28075

AUTHORITY: 11 U.S.C.	AMOUNT CLAIMED	AMOUNT ALLOWED	PREVIOUSLY DISTRIBUTED*	BALANCE
1. §1930 Costs & Fees				
§507(a)(1), §1930(b)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
§507(a)(1), §1930(a)(6)	0.00	0.00	0.00	0.00
2. For Superseded Estate				
§364(c)(1), §507(b)	0.00	0.00	0.00	0.00
3. Preservation of Estate				
§503(b)(1)				
a. Storage	0.00	0.00	0.00	0.00
b. Security	0.00	0.00	0.00	0.00
c. Insurance	0.00	0.00	0.00	0.00
d. Separate Case Bond	0.00	0.00	0.00	0.00
e. Other	0.00	0.00	0.00	0.00
4. Post-Petition Taxes & Related Penalties				
§503(b)(1)(B) & (C)	0.00	0.00	0.00	0.00
5. Compensation and Reimbursement				
§503(b)(2), (3) & (4)				
a. Trustee Compensation	20,826.50	20,826.50	0.00	20,826.50
b. Trustee Expenses	9,922.91	9,922.91	0.00	9,922.91
c. Trustee's Atty Comp.	29,817.50	29,817.50	0.00	29,817.50
d. Trustee's Atty Exps.	0.00	0.00	0.00	0.00
e. Debtor's Atty Comp.	0.00	0.00	0.00	0.00
f. Debtor's Atty Exps.	0.00	0.00	0.00	0.00
g. Trustee's Accountant	13,225.47	13,225.47	0.00	13,225.47
h. Debtor's Accountant	0.00	0.00	0.00	0.00
i. Special Counsel	0.00	0.00	0.00	0.00
j. Appraiser	0.00	0.00	0.00	0.00
k. Real Estate Agent	0.00	0.00	0.00	0.00
l. Broker	0.00	0.00	0.00	0.00
m. Auctioneer	0.00	0.00	0.00	0.00
n. Outside Attorney	0.00	0.00	0.00	0.00
o. Outside Professional	0.00	0.00	0.00	0.00
p. Harvester	0.00	0.00	0.00	0.00
q. Other Professional	0.00	0.00	0.00	0.00
r. Special Consultant	0.00	0.00	0.00	0.00
6. Other Admin Expense	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>\$ 73,792.38</b>	<b>\$ 73,792.38</b>	<b>\$ 0.00</b>	<b>\$ 73,792.38</b>

\* ORDERS AUTHORIZING DISTRIBUTION ARE ATTACHED

EXHIBIT C  
PRIORITY CLAIMS OTHER THAN ADMINISTRATIVE EXPENSES  
IN ORDER OF PRIORITY

In re: EUROGAS, INC.

Case no.: 04-28075

AUTHORITY: 11 U.S.C.	AMOUNT CLAIMED	AMOUNT ALLOWED	PREVIOUSLY DISTRIBUTED*	BALANCE
1. "Gap Claims" §507(a)(2)	\$	\$	\$	\$
2. Wages §507(a)(3)				
3. Contributions to Benefit Plans §507(a)(4)				
4. Claims of Farmers and Fishermen §507(a)(5)				
5. Consumer Deposits §507(a)(6)				
6. Alimony/Child Supp. §507(a)(7)				
7. Taxes §507(a)(8)	0.00	0.00	0.00	0.00
8. Capital Contribution to FDIC Insured Depositories §507(a)(9)				
TOTAL	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

\* ORDER(S) AUTHORIZING ANY INTERIM DISTRIBUTIONS ARE ATTACHED

**PROPOSED DISTRIBUTION  
ATTACHMENT: CLAIMS REGISTER****UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH  
Central**In re:  
EUROGAS, INC.CASE NO. 04-28075 WTT  
CHAPTER 7

Debtor(s)

<b>TOTAL RECEIPTS</b>	\$ 717,044.23
Less Exemptions	( 0.00)
Less Non-estate Funds Paid to 3rd Parties	( 0.00)
Plus: Additional receipts expected up to distribution date (listed below)	0.00
<b><u>TOTAL ESTATE FUNDS COLLECTED</u></b>	<b>\$ 717,044.23</b>

**PROPOSED DISTRIBUTION**

	Allowed	Previously Paid	Proposed Payment	Total % Distrib.	
<b><u>Secured Claims (§364(d), 506(a))*</u></b>	0.00	0.00	0.00	0.00%	\$ 0.00
<b><u>§ 507 (a)(1) Unpaid Administrative Expenses and Fees - Chapter 7</u></b>					
Court Costs & Fees	0.00	0.00	0.00		
Trustee Accountants Comp. & Expenses	13,225.47	0.00	13,225.47		
Trustee Compensation & Expenses	30,749.41	0.00	30,749.41		
Other Administrative Expenses	29,817.50	0.00	29,817.50		
U. S. Trustee Fees	0.00	0.00	0.00		
<b>TOTAL CH. 7 ADMINISTRATIVE EXPENSES</b>	<b>73,792.38</b>	<b>0.00</b>	<b>73,792.38</b>	<b>100.00%</b>	<b>\$ 73,792.38</b>
<b><u>§507 (a)(1) Administrative Expenses - Previous Chapter</u></b>					
	0.00	0.00	0.00	0.00%	\$ 0.00
<b><u>Priority Claims</u></b>					
§507(a)(2) -- "Gap" Claims	0.00	0.00	0.00	0.00%	
§507(a)(3) -- Wages (Summary attached)	0.00	0.00	0.00	0.00%	
§507(a)(4) -- Employee Benefit Plans	0.00	0.00	0.00	0.00%	
§507(a)(5) -- Farmers/Fishermen	0.00	0.00	0.00	0.00%	
§507(a)(6) -- Consumer Deposits	0.00	0.00	0.00	0.00%	
§507(a)(7) -- Alimony/Child Support	0.00	0.00	0.00	0.00%	
§507(a)(8) -- Taxes	0.00	0.00	0.00	0.00%	
§507(a)(9) -- FDIC	0.00	0.00	0.00	0.00%	
<b>TOTAL PRIORITY CLAIMS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>	<b>\$ 0.00</b>
<b><u>Unsecured Claims</u></b>					
§726 (a)(2) Timely Filed Unsecured Claims	114,230,189.74	0.00	643,251.85	0.56%	
§726 (a)(3) Tardily Filed Unsecured Claims	0.00	0.00	0.00	0.00%	
Rule 3002(c)(6) Surplus Notice Claims	0.00	0.00	0.00	0.00%	
§726(a)(4) Fines, Penalties & Damages	0.00	0.00	0.00	0.00%	
Subordinated Claims	0.00	0.00	0.00	0.00%	
§726 (a)(5) Interest as Legal Rate: 0.00%	0.00	0.00	0.00	0.00%	
Total Interest Paid	0.00	0.00	0.00	0.00%	
<b>TOTAL UNSECURED CLAIMS</b>	<b>114,230,189.74</b>	<b>0.00</b>	<b>643,251.85</b>	<b>0.56%</b>	<b>\$ 643,251.85</b>
<b>TOTAL SECURED, PRIORITY AND UNSECURED CLAIMS PAID</b>					<b>\$ 643,251.85</b>
<b><u>TOTAL PAID OUT FOR ADMINISTRATIVE EXPENSES AND CREDITORS</u></b>					<b>\$ 717,044.23</b>
<b>SURPLUS RETURNED TO DEBTOR OR EQUITY HOLDERS</b>					<b>\$ 0.00</b>

\*Attach §724(b) analysis, if applicable

May 1995

## Claims Proposed Distribution

**Case: 04-28075 EUROGAS, INC.**

Report Includes ONLY Claims with a Proposed Distribution

**Case Balance:** \$717,044.23      **Total Proposed Payment:** \$717,044.23      **Remaining Balance:** \$0.00

Claim #	Claimant Name	Type	Amount Filed	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment	Remaining Funds
	JOEL T. MARKER	Admin Ch. 7	9,922.91	9,922.91	0.00	9,922.91	9,922.91	707,121.32
	JOEL T. MARKER	Admin Ch. 7	20,826.50	20,826.50	0.00	20,826.50	20,826.50	686,294.82
	McKAY, BURTON & THURMAN	Admin Ch. 7	29,817.50	29,817.50	0.00	29,817.50	29,817.50	656,477.32
	PRICEWATERHOUSECOOP ERS, L.L.P.	Admin Ch. 7	633.47	633.47	0.00	633.47	633.47	655,843.85
	PRICEWATERHOUSECOOP ERS, L.L.P.	Admin Ch. 7	12,592.00	12,592.00	0.00	12,592.00	12,592.00	643,251.85
1	W. Steve Smith	Unsecured	113,371,837.65	113,371,837.65	0.00	113,371,837.65	638,418.26	4,833.59
2	Mark A. Weisbart	Unsecured	175,594.45	175,594.45	0.00	175,594.45	988.82	3,844.77
3	O & F Proinvest AG	Unsecured	240,181.00	240,181.00	0.00	240,181.00	1,352.51	2,492.26
5	Hansen, Barnett & Maxwell	Unsecured	144,192.19	144,192.19	0.00	144,192.19	811.98	1,680.28
6	Internal Revenue Service/Utah	Unsecured	6,574.57	6,574.57	0.00	6,574.57	37.03	1,643.25
8	MB Modus GmbH	Unsecured	291,809.88	291,809.88	0.00	291,809.88	1,643.25	0.00
<b>Total for Case 04-28075 :</b>			<b>114,303,982.12</b>	<b>114,303,982.12</b>	<b>\$0.00</b>	<b>114,303,982.12</b>	<b>\$717,044.23</b>	

### CASE SUMMARY

	Amount Filed	Amount Allowed	Paid to Date	Proposed Payment	% paid
<b>Total Administrative Claims :</b>	\$73,792.38	\$73,792.38	\$0.00	\$73,792.38	100.000000%
<b>Total Unsecured Claims :</b>	114,230,189.74	114,230,189.74	\$0.00	\$643,251.85	0.563119%

# Form 1

## Individual Estate Property Record and Report

### Asset Cases

**Case Number:** 04-28075 WTT  
**Case Name:** EUROGAS, INC.

**Trustee:** (640080) JOEL T. MARKER  
**Filed (f) or Converted (c):** 05/18/04 (f)  
**\$341(a) Meeting Date:** 11/23/04  
**Claims Bar Date:** 07/28/06

**Period Ending:** 09/29/06

Ref. #	1 Asset Description (Scheduled And Unscheduled (u) Property)	2 Petition/ Unscheduled Values	3 Estimated Net Value (Value Determined By Trustee, Less Liens, Exemptions, and Other Costs)	4 Property Abandoned OA=\$554(a) abandon. DA=\$554(c) abandon.	5 Sale/Funds Received by the Estate	6 Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1	EuroGas Polska Sp.zo.o (u)	Unknown	375,000.00		390,000.00	FA
2	Globe Gas B.V. (u)	Unknown	10,000.00		10,000.00	FA
3	Pol-Tex Methane, Sp.zo.o (u)	Unknown	325,000.00		325,000.00	FA
4	Mckenzie Methane (u)	Unknown	5,000.00		5,000.00	FA
Int	INTEREST (u)	Unknown	N/A		2,044.23	FA
<b>5</b>	<b>Assets Totals (Excluding unknown values)</b>	<b>\$0.00</b>	<b>\$715,000.00</b>		<b>\$732,044.23</b>	<b>\$0.00</b>

**Major Activities Affecting Case Closing:**

None

**Initial Projected Date Of Final Report (TFR):** June 30, 2006

**Current Projected Date Of Final Report (TFR):** September 29, 2006 (Actual)

## Form 2

Page: 1

## Cash Receipts And Disbursements Record

Case Number: 04-28075 WTT  
Case Name: EUROGAS, INC.

Trustee: JOEL T. MARKER (640080)  
Bank Name: JPMORGAN CHASE BANK, N.A.  
Account: \*\*\*\_\*\*\*\*\*56-65 - Money Market Account  
Blanket Bond: \$76,710,000.00 (per case limit)  
Separate Bond: N/A

Taxpayer ID #: 87-0427676  
Period Ending: 09/29/06

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	T-Code	5 Receipts \$	6 Disbursements \$	7 Money Market Account Balance
03/28/06	{1}	Sinofirst Trading and Capital Corp.	Good faith deposit - EuroGas Polska	1290-000	15,000.00		15,000.00
03/28/06	{3}	Seven Rocks of California	Good faith deposit - Pol-Tex Methane	1290-000	15,000.00		30,000.00
03/30/06	{1}	Debit Override adjustment	Debit Override adjustment	1290-000	-15,000.00		15,000.00
03/31/06	Int	JPMORGAN CHASE BANK, N.A.	Interest posting at 0.7000%	1270-000	0.50		15,000.50
04/13/06		Consolidated Seven Rocks Mining, Ltd	Pol-Tex Methane, Sp.zo.o		315,000.00		330,000.50
	{3}		310,000.00	1290-000			330,000.50
	{4}		5,000.00	1290-000			330,000.50
04/18/06		Sinofirst Trading and Capital Corp./David Finlay	Funds wire transfer credit - EuroGas Polska 359,985 and Globe Gas B.V. \$10,000 purchase		369,985.00		699,985.50
	{1}		359,985.00	1290-000			699,985.50
	{2}		10,000.00	1290-000			699,985.50
04/20/06	{1}	Sinofirst Trading and Capital Corp/David Finlay	Funds wire transfer credit - EuroGas Polska Sp.zo.o purchase	1290-000	15,015.00		715,000.50
04/28/06	Int	JPMORGAN CHASE BANK, N.A.	Interest posting at 0.8000%	1270-000	242.85		715,243.35
05/10/06	{1}	The Toronto-Dominion Bank	Bid deposit to be returned to Falcon Energy	1290-000	7,500.00		722,743.35
05/10/06	{1}	The Toronto-Dominion Bank	Bid deposit to be returned to Falcon Energy	1290-000	7,500.00		730,243.35
05/31/06	Int	JPMORGAN CHASE BANK, N.A.	Interest posting at 0.8000%	1270-000	492.69		730,736.04
06/30/06	Int	JPMORGAN CHASE BANK, N.A.	Interest posting at 0.8000%	1270-000	480.59		731,216.63
07/31/06	Int	JPMORGAN CHASE BANK, N.A.	Interest posting at 0.8000%	1270-000	496.99		731,713.62
08/02/06		Falcon Energy Holding Corp.	Wired deposit funds	5600-000		15,000.00	716,713.62
08/22/06	Int	JPMORGAN CHASE BANK, N.A.	Current Interest Rate is 0.8000%	1270-000	330.61		717,044.23
08/22/06		To Account #*****5666	Transfer funds from money market to checking	9999-000		717,044.23	0.00

Subtotals : \$732,044.23 \$732,044.23

{ } Asset reference(s)

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## Form 2

### Cash Receipts And Disbursements Record

Case Number: 04-28075 WTT  
Case Name: EUROGAS, INC.  
Taxpayer ID #: 87-0427676  
Period Ending: 09/29/06

Trustee: JOEL T. MARKER (640080)  
Bank Name: JPMORGAN CHASE BANK, N.A.  
Account: \*\*\*\_\*\*\*\*\*56-65 - Money Market Account  
Blanket Bond: \$76,710,000.00 (per case limit)  
Separate Bond: N/A

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Money Market Account Balance
<b>ACCOUNT TOTALS</b>				732,044.23	732,044.23	\$0.00
Less: Bank Transfers				0.00	717,044.23	
<b>Subtotal</b>				732,044.23	15,000.00	
Less: Payments to Debtors					0.00	
<b>NET Receipts / Disbursements</b>				<b>\$732,044.23</b>	<b>\$15,000.00</b>	

## Form 2

### Cash Receipts And Disbursements Record

Case Number: 04-28075 WTT  
Case Name: EUROGAS, INC.

Trustee: JOEL T. MARKER (640080)  
Bank Name: JPMORGAN CHASE BANK, N.A.  
Account: \*\*\*\_\*\*\*\*\*56-66 - Checking Account  
Blanket Bond: \$76,710,000.00 (per case limit)  
Separate Bond: N/A

Taxpayer ID #: 87-0427676  
Period Ending: 09/29/06

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Checking Account Balance
08/22/06		From Account #*****5665	Transfer funds from money market to checking	717,044.23		717,044.23
<b>ACCOUNT TOTALS</b>						
Less: Bank Transfers				717,044.23	0.00	\$717,044.23
<b>Subtotal</b>				0.00	0.00	
Less: Payments to Debtors					0.00	
<b>NET Receipts / Disbursements</b>				\$0.00	\$0.00	

Net Receipts : 732,044.23  
Net Estate : \$732,044.23

TOTAL - ALL ACCOUNTS	Net Receipts	Net Disbursements	Account Balances
MMA # ***_*****56-65	732,044.23	15,000.00	0.00
Checking # ***_*****56-66	0.00	0.00	717,044.23
	\$732,044.23	\$15,000.00	\$717,044.23



August 1 - August 31, 2006  
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312-00312-E000-00312- H -113-9-03-W X -1 00-

04-28075 EUROGAS INC  
DEBTOR  
#640080 JOEL MARKER TRUSTEE  
BRANCH 312, 4 NYP, 17TH FLOOR  
NEW YORK NY 10004

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**Customer Service**

Nationwide 800 #: 1-800-634-5273  
Nationwide Fax #: 1-800-457-3510  
Hearing impaired call 1-800-CHASETD  
Primary Account Number: 312-0682856-66  
Number of Checks Paid: 0

*DM*  
*9/12/06*

**OVERVIEW**

**Deposit Accounts - JPMorgan Chase Bank, N.A. ("Bank")**

Checking	Opening Balance	Total Credits	Total Debits	Ending Balance
BusinessCustom Checking 312-0682856-66	0.00	717,044.23	0.00	717,044.23
Bankruptcy MMA 312-0682856-65	731,713.62	330.61	732,044.23	0.00
<b>Total</b>	<b>731,713.62</b>	<b>717,374.84</b>	<b>732,044.23</b>	<b>717,044.23</b>

**THIS ENDS YOUR STATEMENT OVERVIEW**